A NONPROFIT NONPARTISAN VOICE FOR CONSUMERS SINCE 1966

## **Arizona Consumers Council**

Post Office Box 1288, Phoenix, Arizona 85001

Leslie Kyman Cooper Executive Director 602.399.6638 LeslieCooper@AzConsumer.org



Phyllis Rowe President Emeritus 602.265.9625 PRowe5@cox.net

## **ORIGINAL**

August 19, 2009

Arizona Corporation Commission 1200 W. Washington Street Phoenix, AZ 85007 Via Hand Delivery

Re: Docket Number E-01345A-08-0172

Arizona Corporation Commission

CORP COMMISSION

AUG 19 2009

DOCKETED BY

DOCKETED

## **Dear Commissioners:**

I write on behalf of the Arizona Consumers Council, and its members, many of whom are APS customers. The Arizona Consumers Council has been educating, protecting and advocating on behalf of Arizona consumers for over 40 years. Much of our work has been on energy and utility issues. We write today regarding the proposed settlement of APS's current rate case.

First, we express our concern about the magnitude of the increase in residential rates, particularly in these difficult economic times. One justification for this rate increase is that it will help APS improve its financial position, and lower its costs of debt. We hope that the Corporation Commission will take all reasonable steps to ensure that consumers do not bear an unfair burden as a result of the need for APS to improve its financial position. We note that RUCO labels the settlement agreement a "comprehensive strategy" that should improve APS's financial position and limit rate increases; we hope that the Commission will ensure that APS carries out all elements of this strategy.

We also write in support of the energy efficiency provisions that are part of the current rate case settlement. Energy efficiency is important to consumers for many reasons. Although energy efficiency measures can result in slightly higher rates, they also bring lower bills. Lower bills let consumers keep more money in their pockets while still remaining comfortable.

We support energy efficiency programs, such as those that provide rebates and technical assistance to customers who buy energy efficient lighting, air conditioners or other equipment, as well as programs that promote energy efficiency among homeowners, schools and businesses, and those that provide technical assistance to homeowners. We also appreciate efforts to limit the impact of rate increases on low-income ratepayers. Those efforts, combined with energy efficiency measures that help such customers lower their bills, are much needed during these difficult economic times.

Energy efficiency provides long-term benefits for all residents of Arizona. It means reduced emissions and reduced water use, both of which benefit the environment we inhabit, and that attracts so many to our state. We urge APS to encourage the use of

## **Arizona Consumers Council**

energy efficiency measures that will reduce the urban heat island effect, and provide yet another benefit for its customers, and all the residents of Arizona.

The Arizona Consumers Council thanks you for including our comments in your consideration of this matter.

Respectfully yours,

Leslie Kyman Cooper Executive Director